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UNITED STATES DEPARTMENT OF AGRICULTURE AGRICULTURAL ADJUSTMENT ADMINISTRATION WASHINGTON, D. C.

FF7-Ml February 8, 1935. H. J. Gramlich, Special Adviser on Feed.

CANE MOLASSES

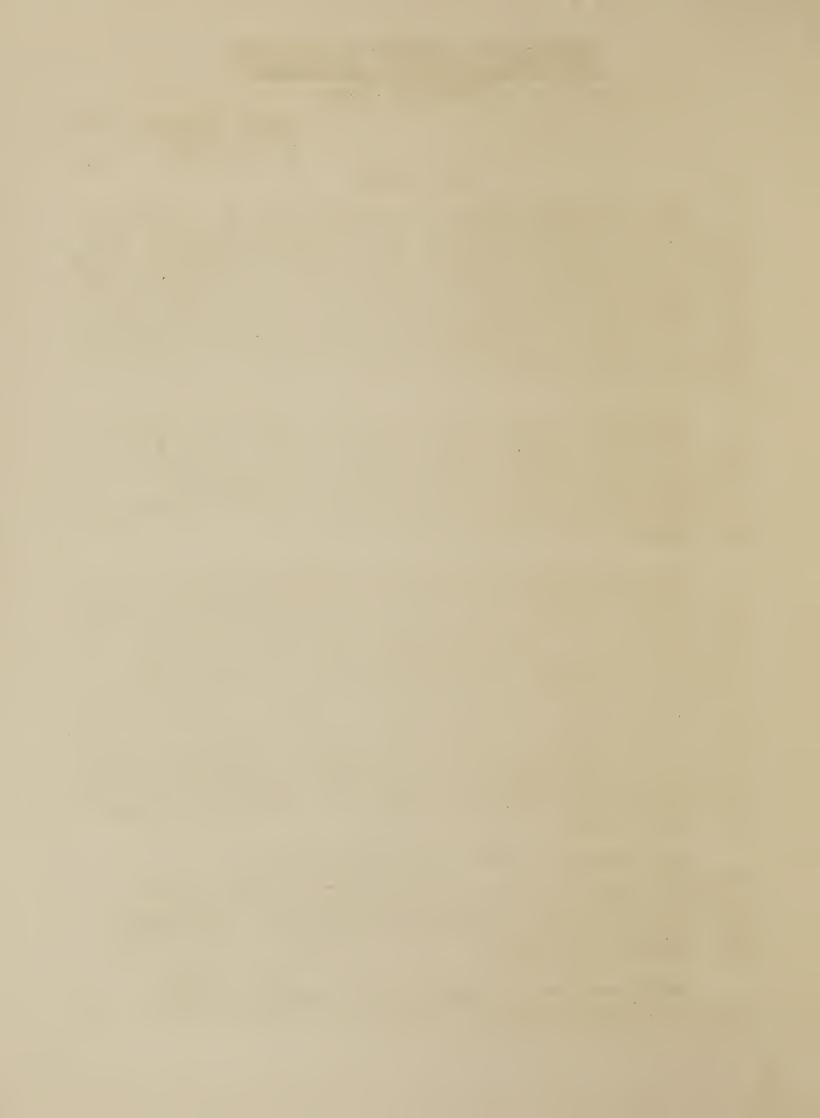
Due to the 1934 drought the production of corn in the nation was cut 1,120,000,000 bushels below the five year average 1929-1933. Practically all of this cut occurred in the eight States of Oklahoma, Mansas, Nebraska, South Dakota, Minnesota, Iowa, Missouri, and Illinois. These States constitute the heart of the nation's corn belt. Large numbers of work horses, milk cows, brood sows, and beef stock are located in this area. As a result of the drought, the stocks of corn, oats, and other feed grains have been cut to such a low point that it is absolutely imperative to make additional feeds available to sustain the foundation animals of the area.

On January 1, 1935, there were a total of 855,000,000 bushels of corn in the United States. Of this 814,000,000 were on farms while 41,000,000 were in terminal elevators. During the nine months' period January 1, 1934, to October 1, 1934, there was a disappearance of corn in the United States of 1,176,000,000 bushels or 319,000,000 bushels more than were on hand January 1 of this year. There has been a correspondingly heavy decrease in stocks of oats, barley, and even wheat.

There is a considerable quantity of blackstrap molasses available at United States ports on the Gulf and Pacific Coast. The present price of this molasses is such that it can be made available to formers in the drought area in small quantities through regular channels of distribution at a price range of from \$21.00 to \$25.00 per ton, buyers furnishing the containers. This price is based on a reasonable allowance for expenses in connection with handling of molasses as received in tank car lots. The actual price of the molasses aside from expenses of handling is the same as it has been during most of the winter. In other words, there has been no advance in molasses. It remains relatively reasonable compared to all other feed stuffs and should have a very useful place in the rations of farm animals in the drought area during the spring months. It should prove to be especially valuable in the rations of work horses and fattening cattle.

The importation of rather large amounts of molasses will not necessarily break the corn and feed grain markets. It should result in steadying these markets at near present levels, which most fair minded people will say are comparatively high, and, even more important, it should make available a highly concentrated feed where none might otherwise be procured.

Some information regarding molasses is submitted below in the hope that it may be of value to those who are helping to solve the feed deficiency problem in the drought area.



- 1. Communities considering feeding molasses should plan to have it shipped in tank car lots. The freight rates are such that this is the most feasible manner of getting it to most sections of the drought area. Most tank cars have a capacity of 8,000 gallons or approximately 150 barrels.
- 2. Where there is a dealer equipped and willing to handle tank cars of molasses, he should be encouraged to do so. The county drought committees should do all in their power to educate farmers in the use of molasses and to encourage them to place their orders together so that tank cars may be brought into their communities. In the State of Missouri, the Relief Conmission contracted for a considerable quantity of molasses and is selling it through dealers, allowing the dealer a commission of \$2.00 per ton. He does all direct contacting with purchasers and assumes full responsibility for collections.

Where the dealer purchases the molasses, he undoubtedly will be willing to handle it on a fair margin; possibly \$1.00 per barrel where it is taken in less than ton lots. Items which will undoubtedly be factors from his standpoint include telephone and telegraph expense, equipment for unloading cars, cost of steam for heating molasses, possible shrinkage in handling, labor expense, credit responsibilities, and a labor return.

- 3. Where there is no dealer available, possibly a creamery either cooperative or otherwise could be encouraged to take over the responsibility. In the absence of both a dealer and creamery, it might be necessary for the county cooperative association to undertake the task, unless some large feeder in the community would be willing to order a car largely for his own use with the understanding that he would sell small quantities to neighbors at the time the car was being unloaded.
- 4. In communities where molasses has been shipped in tank cars, the most common practice seems to be for farmers to use second-hand oil drums as confainers. These can be purchased at filling stations at from fifty cents to one dollar each. They hold about 600 pounds of molasses. It is quite easy to clean them by steaming or by rinsing with gasoline. Old milk and cream cans make convenient small centainers.

In the northern part of the drought area, molasses cars may need to be warmed for unloading purposes. Tank cars are equipped with steam coils for heating purposes. Arrangements should be made to spot the car adjacent to a source of steam. In a good many instances, creameries have volunteered to handle molasses. They handle it upon easonable basis, and their men quickly become adept at barreling it off into farmers' containers.



5. Where there are no dealers in a community and a new organization has to be set up to hendle the molasses, it would be well to consult the local railroad agent regarding rates. In a general way, the following information applies: There is a commodity rate of \$10.00 per ton from Pacific Coast ports to all points in Kansas, Nebraska, Minnesota, and other States to the west and north thereof. Missouri, eastern Kansas, southeastern Nebraska, Illinois, and Iowa can purchase from New Orleans on a basis of a lower cost per ton delivered than where shipped from Pacific points.

